

COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT

September 2003

Summary

Revenue collections increased by 10.6 percent in September, the highest monthly growth rate in over a year. Over half the monthly increase was attributable to strong motor vehicle sales. On a year-to-date basis, growth is up 3.1 percent.

The Governor's Advisory Board of Economists will meet in October as the first step in assessing the strength of the Virginia economy over the next biennium.

Motor Fuels Tax (adjusted for PTF Fuels Tax Revenue)

Motor Fuels Tax collections grew by 4.7 percent in September. Annual collections through the first two months of fiscal year 2004 are up 1.0 percent.

Gasoline stocks recorded an unexpected decline for the week ending October 3. As a result, motor gasoline stocks remain well below their level of one year ago. The draw in gasoline stocks can be traced to the decline in refinery capacity utilization and strong demand offsetting strong imports. While prices will continue to ease in the medium term, this week's data are likely to suspend price moderation.

Motor Vehicle Sales and Use Tax

Vehicle sales far exceeded expectations in August (September tax collections). Consumer spending may have been fueled by ever more generous incentives as manufacturers were eager to clear out inventory or by child credit checks, which brought an extra \$400 per child to tens of millions of U.S. households. Incentives in August were on average \$780 or 35% higher than in August of 2002. Collections in this source increased by 20.9 percent in September and are up 9.9 percent for the year.

State Retail Sales Tax

The transportation portion of the State Retail Sales Tax increased by 15.3 percent in September. Collections in this source are up 2.9 percent in fiscal year 2004.

Motor Vehicle Licenses

Motor Vehicle Registration transactions were flat in September. Collections of \$13.7 million were slightly higher than the \$13.6 million collected last September. Motor vehicle license receipts are down 2.0 percent for the year.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Summary Statement of Revenue Estimates & Collections
For the Fiscal Years 2003 and 2004
(Dollars in Thousands)

Revenue	FY 2004 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Estimate
			FY 2004	FY 2003	% Change	FY 2004	FY 2003	% Change	
Motor Fuel Taxes	\$842,000	25.32	\$72,884	\$71,530	1.9	\$146,585	\$147,122	(0.4)	4.1
Priority Transportation Fund	20,000	0.60	2,000	0	-	2,000	0	-	0.0
Motor Vehicle Sales and Use Tax	546,000	16.42	60,479	50,032	20.9	161,791	147,269	9.9	0.6
State Sales and Use Tax	398,000	11.97	35,258	30,588	15.3	83,847	81,520	2.9	5.9
Motor Vehicle License Fees	178,200	5.36	13,685	13,564	0.9	42,760	43,645	(2.0)	12.3
International Registration Plan	64,400	1.94	3,385	3,644	(7.1)	8,117	11,606	(30.1)	11.9
Interest Earnings	11,500	0.35	0	0	-	5	11	(54.5)	(21.4)
Misc. Taxes, Fees, and Revenues	24,000	0.72	1,477	1,610	(8.3)	4,949	5,439	(9.0)	3.3
Total State Taxes and Fees	\$2,084,100	62.68	\$189,168	\$170,968	10.6	\$450,054	\$436,612	3.1	4.1

Percentage is greater than 1,000%.

Commonwealth of Virginia/Department of Accounts
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues
Statement of Revenue Estimates & Collections
For the Fiscal Years 2003 and 2004
(Dollars in Thousands)

		As a %	September			Year-To-Date			% Annual
	FY 2004	of Total			%			%	Growth
Revenue	Estimate	Fund	FY 2004	FY 2003	Change	FY 2004	FY 2003	Change	Required
									By Est
HIGHWAY MAINTENANCE AND OPERATING FUND:									
Motor Fuel Taxes (Includes Road Tax)	\$718,900	21.62	\$61,169	\$60,818	0.6	\$123,299	\$123,768	(0.4)	4.4
Motor Vehicle Sales and Use Tax	350,800	10.55	38,645	31,899	21.1	103,276	93,976	9.9	0.8
Motor Vehicle License Fees	153,600	4.62	11,994	11,797	1.7	37,419	38,098	(1.8)	10.5
International Registration Plan	64,400	1.94	3,385	3,644	(7.1)	8,117	11,606	(30.1)	11.9
Misc. Taxes, Fees, and Revenues	24,000	0.72	1,477	1,610	(8.3)	4,949	5,439	(9.0)	3.3
Total State Taxes and Fees	\$1,311,700	39.45	\$116,670	\$109,768	6.3	\$277,060	\$272,887	1.5	4.4
Other Revenues:									
Federal Grants and Contracts	\$0	0.00	\$1,104	\$3,488	(68.3)	\$2,374	\$4,809	(50.6)	(100.0)
Transfer (to) / from Transportation									
Trust Fund	\$20,200	0.61	\$0	\$0	-	\$20,177	\$72,271	(72.1)	(79.2)
Total Highway Maintenance and Operating Fund	\$1,331,900	40.06	\$117,774	\$113,256	4.0	\$299,611	\$349,967	(14.4)	(2.5)
TRANSPORTATION TRUST FUND:									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$123,100	3.70	\$11,715	\$10,712	9.4	\$23,286	\$23,354	(0.3)	2.5
Priority Transportation Fund	20,000	0.60	2,000	0	-	2,000	0	-	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	195,200	5.87	21,834	18,133	20.4	58,515	53,293	9.8	0.2
State Sales and Use Tax	398,000	11.97	35,258	30,588	15.3	83,847	81,520	2.9	5.9
Motor Vehicle License Fees	24,600	0.74	1,691	1,767	(4.3)	5,341	5,547	(3.7)	24.9
Interest Earnings	11,500	0.35	0	0	-	5	11	(54.5)	(21.4)
Total State Taxes and Fees	\$772,400	23.23	\$72,498	\$61,200	18.5	\$172,994	\$163,725	5.7	3.7
Other Revenues:									
Federal Grants and Contracts	\$1,068,800	32.14	\$103,411	\$53,073	94.8	\$211,856	\$200,561	5.6	57.6
Receipts from Cities/Counties	45,500	1.37	4,382	2,816	55.6	14,863	11,463	29.7	80.0
Toll Revenues (Includes Route 28)	60,800	1.83	7,822	5,902	32.5	16,357	16,655	(1.8)	(3.2)
Miscellaneous Revenues	65,900	1.98	559	3,436	(83.7)	4,396	6,126	(28.2)	279.1
Total Other Revenues	\$1,241,000	37.32	\$116,174	\$65,227	78.1	\$247,472	\$234,805	5.4	58.3
Transfer (to) / from Highway									
Maintenance and Operating Fund	(\$20,200)	(0.61)	\$0	\$0	-	(\$20,177)	(\$72,271)	72.1	79.2
Total Transportation Trust Fund	\$1,993,200	59.94	\$188,672	\$126,427	49.2	\$400,289	\$326,259	22.7	39.2
TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND									
	\$3,325,100	100.00	\$306,446	\$239,683	27.9	\$699,900	\$676,226	3.5	18.8

Percentage is greater than 1,000%.